

An Update . . .

DOD CIVILIAN ACQUISITION WORKFORCE PERSONNEL DEMONSTRATION PROJECT

Jerry Lee

Introduction

On Feb. 10, 1999, the U.S. Army Contracting Command, Korea, became the first Army acquisition activity to implement the DOD Civilian Acquisition Workforce Personnel Demonstration (AcqDemo) Project. Another 14 activities executed their implementation plan on March 28, 1999, and converted their workforce to the AcqDemo Project. Now 2 years old, the AcqDemo Project has provided an opportunity to enhance the quality, professionalism, and management of the acquisition workforce through improvements in the human resources management system.

Where does the AcqDemo stand today? The short answer is that with only two data points (FYs 99 and 00), it is difficult to determine any reliable trends. This article, however, will compare the AcqDemo Project with other Army personnel demonstration projects, provide the results from the first two rating periods under the Contribution-based Compensation

and Appraisal System (CCAS), and provide the results of the recently completed attitude survey.

Background

In September 1996, the Secretary of Defense established a process action team (PAT) in response to Section 4308 of the *National Defense Authorization Act for FY96* (Public

Law 104-106; 10 U.S.C. §1701, Notes). This legislation provided the impetus for the PAT, via its charter, to resolve DOD acquisition workforce personnel issues. It is important to note that the AcqDemo Project is different from the demonstration project formed under Section 342 of the *National Defense Authorization Act for FY95* (Public Law 103-337). The

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latter project, formally designated the Science and Technology (S&T) Reinvention Laboratory Demonstration Project, includes specific organizations. In contrast, the AcqDemo Project includes Army, Navy, Air Force, Marine Corps, and Office of the Under Secretary of Defense for Acquisition, Technology and Logistics (USD(AT&L)) activities at 64 locations. The 64 AcqDemo locations are dispersed throughout the United States and Korea. Further, as of Sept. 30, 2000, the AcqDemo was comprised of 5,083 employees (280 from the USD(AT&L), 1,069 from the Army, 593 from the Navy, 606 from the Marine Corps, and 1,995 from the Air Force).

The PAT included acquisition managers from each of the Services and DOD agencies as well as subject matter experts in the civilian personnel and manpower areas. The PAT developed 11 initiatives that collectively represent sweeping changes to the spectrum of human resource management for the DOD acquisition workforce. Several of these initiatives were designed to enable DOD acquisition activities to hire and place the best people to fulfill mission requirements. Other initiatives focus on developing, motivating, and equitably compensating employees based on their contribution to the

mission. Additional initiatives were developed to allow effective management of workforce realignment and maintenance of organizational excellence. These initiatives were endorsed and accepted by the acquisition leadership and are similar to the initiatives in the S&T laboratory personnel demonstration projects.

Implementation

Only one AcqDemo initiative has not been implemented. It is the one on the extended probationary period, and it has not been used primarily because there have been few new hires in the business management and technical management professional career path. Based on the 2001 attitude survey, the perceived effectiveness of these initiatives is 76 percent, and the perceived customer satisfaction is 70 percent.

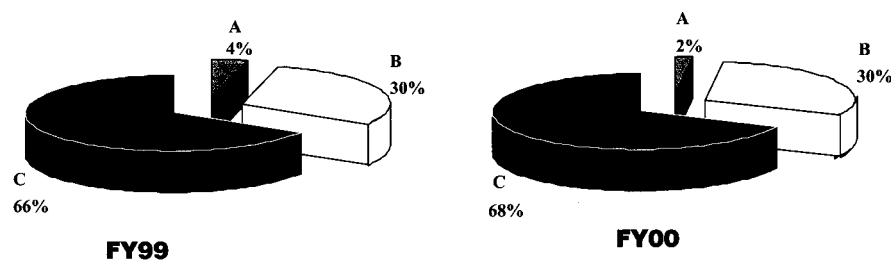
Particularly noteworthy was the use of the AcqDemo's Academic Degree and Certificate Training, Sabbatical, and Voluntary Emeritus Program initiatives. The Academic Degree and Certificate Training initiative facilitates employee training and development. Nineteen Defense Supply Service-Washington (DSS-W) employees in nonacquisition-coded positions attended degree training in 1999, and another 14 nonacquisition-coded demo employees completed a

semester of college-credit training. For the second year, this training was conducted onsite by instructors from Northern Virginia Community College. Tuition is funded by DSS-W. Sixteen DSS-W employees, some of whom are acquisition-coded, took two college-level courses. For some employees, the course(s) satisfied their 24-credit hour requirement in the business discipline. For others, the courses put them "two steps closer" to a baccalaureate degree.

Sabbaticals

This initiative enables employees to engage in study or work experience that contributes to the mission of their organization and the goals of the acquisition community. In 2000, the Program Executive Officer for Command, Control and Communications Systems (C3S) approved the first sabbatical under this acquisition demonstration project for Arthur Santo-Donato, Project Manager (PM) for Field Artillery Tactical Data Systems, so that he could attend the Naval Postgraduate School (NPS) in Monterey, CA. The objective of his sabbatical included developing curriculum for the first-ever doctorate-level degree program in systems acquisition, teaching graduate-level classes in systems management and systems acquisition, and instructing

CCAS Rating Cycle Comparisons



Fort Monmouth, NJ, personnel enrolled in the NPS distance learning program.

In 2001, the Program Executive Officer, C3S also approved a sabbatical for Wanda Wohlin, Chief of Human Resources. The objective of her sabbatical is to complete a degree in management science with a specialization in organizational theory. The acquisition community will be facing major changes in the next 5-10 years and will require greater management skills of individuals in leadership positions. As Manager of the Program Executive Office, C3S Human Resources Division, Wohlin will complete this degree program and be provided with valuable skills, knowledge, and abilities to contribute to the reshaping of the workforce. Wohlin also plans to write a thesis devoted to reshaping the workforce to effectively deal with problems caused by an aging workforce.

Voluntary Emeritus Program

This initiative provides a commander or director the means to temporarily retain the services of retired or separated individuals to work on a specific project, to provide on-the-job training, or to mentor less experienced employees. On May 8, 1999, the Program Executive Officer, Ground Combat Support Systems approved Dave Latson, former Deputy Project Manager (DPM), Abrams Tank Systems, for this program. Latson provides his expertise to current DPM John Neff on a weekly basis. In particular, Latson provided assistance with the new Abrams Crusader Common Engine Program. He helped determine what problems might occur in the input module of the current Abrams transmission when the new engine is integrated into the tank system.

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On Jan. 6, 2000, the Army Test and Evaluation Command approved Fred McCoy for a Voluntary Emeritus Program position to help complete the development and the initial instruction of the new Test and Evaluation Basic Course (TEBC). For many years, McCoy worked on all aspects of the Army training program for test and evaluation, especially the TEBC. At the time of his retirement, the new TEBC, which would have a computer-based training segment for new employees and a resident seminar for selected personnel, was near completion. Normally, McCoy volunteers his time 1 day a week, except when a 5-day seminar or 3- or 4-day Technical Review Committee meeting is in progress.

The continuing involvement by Latson and McCoy has definitely added value to their programs, and it has been a mutually beneficial arrangement for their commands.

CCAS

CCAS is the initiative used most often and provides an equitable and flexible method for appraising and compensating the acquisition workforce. Additionally, CCAS provides managers (at the lowest practical level) the authority, control, and flexibility needed to achieve quality acquisition processes and products while developing a highly competent, motivated, and productive workforce. CCAS also allows for more employee involvement in the contribution appraisal process, increases communication between supervisors and employees, promotes a clear accountability of each employee's contribution, facilitates employee pay progression tied to organizational contribution, and provides an understandable basis for salary changes.

However, CCAS is not a system that is easy to understand. In FY00, a major training effort was initiated to inform the workforce of the basic CCAS concept. The training module *An Introduction to CCAS* was sent to all participating Army activities and was posted to the Army AcqDemo Web page at <http://dacm.rdaisa.army.mil> (click on the **ACQ Demo Project** icon, then click on **CCAS**, and then click on **Introduction**). More training is forthcoming in 2001 based on the lessons learned from the FY00 CCAS rating cycle and from the attitude survey.

Two CCAS rating cycles have been completed (see figure on Page 18). In FY00, 2 percent of the CCAS-eligible employees (compared to 4 percent in FY99) were rated "Inappropriately Compensated" (A), faced the potential of not receiving the general pay increase (GPI), and were not eligible for a contribution rating increase (CRI) and contribution award (CA). Also in FY00, 68 percent of the employees were rated

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"Appropriately Compensated" (C) and received the full GPI, CRI up to 6 percent, and a CA (a 2 percent increase from FY99). The remaining 30 percent were rated "Inappropriately Compensated" (B) (the same as in FY99), received the full GPI, CRI up to 20 percent, and a CA.

The CRI is a salary adjustment, and nearly 79 percent of the Army AcqDemo workforce received a CRI in 1999 compared to approximately 82 percent in 2000. The average CRI in 1999 was \$1,484 (a 2.7 percent increase of the 1999 base salary). In 2000, the average CRI was \$1,529 (a 2.57 percent increase). This CRI is in addition to the GPI of 3.8 percent in 2000 and 2.7 percent in 2001.

The average CA in 1999 was \$863, and \$1,253 in 2000. The average total award in 1999 was \$1,213, and \$1,610 in 2000. These total awards are especially important to AcqDemo employees whose salaries are capped at the upper limit of their broadband. Policy states that any CRI that cannot be distributed to an employee will be added to an individual's CA.

AcqDemo Survey

In February 2001, 5,126 AcqDemo employees had the opportunity to complete a 60-question electronic survey. The survey had a 38-percent response rate, and the results were posted to the AcqDemo Web site at https://apps.rdaisa.army.mil/acqdemo/new_site/whatshot/default.html. Relative to the Army, 640 of 1,644 employees completed the survey. Results indicated that 73 percent of the respondents understand how CCAS is being used in their organization. However, only 30 percent believe that pay pool panels are fair in recognizing individual contributions. More than 55 percent of the respondents understand that pay raises and cash awards depend

on their contribution to the organization's mission. Fifty-three percent of the respondents were satisfied with their pay and believed that the demonstration project is an improvement over the previous performance and compensation system. More than 44 percent of the Army respondents agree or strongly agree with the statement, "I am in favor of the demonstration project for my organization." The positive response to this question after 18 months is comparable to the 40 percent positive response to this question for the China Lake, CA, project and to the 37 percent positive response to this question for the Army Aviation and Missile Research, Development and Engineering Center project.

Conclusion

Expansion of the AcqDemo Project is scheduled for FY02 and calendar year 2003. Successful expansion is dependent on training the workforce on the project's initiatives and, most critical, CCAS training. The Army Acquisition Career Management Office (ACMO) and the DOD Program Office will work in partnership with future activities for an equally successful transition to AcqDemo.

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